**Integrated Advertising, Promotion and Marketing Communications**

**Corporate Image and Brand Management**

1) At one time, the Barbie doll-line held 80 percent of the market share.

Answer: TRUE

2) A firm's image is based on the feeling consumers and businesses have about the overall organization and its individual brands.

Answer: TRUE

3) Effective marketing communications are based on a clearly defined corporate image.

Answer: TRUE

4) What a firm's employees believe about the company's image is far more important than what consumers think.

Answer: FALSE

5) According to a study by Edelman Asia pacific, perceptions of how the firm dealt with customers ranked as the most important component of corporate image.

Answer: FALSE

6) Perceptions of a corporation's image are based solely on price and quality.

Answer: FALSE

7) A corporate image contains both visible and intangible elements.

Answer: TRUE

8) An organizational policy to actively recruit minority employees would be an element of a company's image.

Answer: TRUE

9) From the consumer's perspective, corporate image provides psychological reinforcement and social acceptance of a purchasing decision.

Answer: TRUE

10) A positive corporate image can reduce search time when a consumer is making a buying decision.

Answer: TRUE

11) While a corporation's image plays a key role in marketing to consumers, it is not significant when selling to other businesses.

Answer: FALSE

12) Brand image is especially valuable to a company that is expanding internationally because it reduces risk and uncertainty on the part of the buyer.

Answer: TRUE

13) A strong corporate image does not affect the price a company can charge for its products.

Answer: FALSE

14) A well-developed, favorable image creates loyal customers who will generate positive word-of-mouth endorsements about the company and its products.

Answer: TRUE

15) A corporation's image has little or no effect on other business activities, such as recruiting employees.

Answer: FALSE

16) The image a firm tries to project should accurately portray the firm and coincide with the goods and services being offered.

Answer: TRUE

17) Rejuvenating a firm's image can be difficult and takes time and effort.

Answer: TRUE

18) While rejuvenating an image will help a firm sell more products, it will seldom attract new customers.

Answer: FALSE

19) Normally, an image can be rejuvenated with a good advertising campaign.

Answer: FALSE

20) In each industry, the right image is one that sends a clear message about the unique nature of an organization and its products.

Answer: TRUE

21) The key to successfully rejuvenating a corporation's image is to remain consistent with the previous image while adding new elements.

Answer: TRUE

22) It is impossible to change a corporation's image.

Answer: FALSE

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23) Changing a corporation's image requires both internal programs and external promotions.

Answer: TRUE

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24) An overt corporate name reveals what the company does.

Answer: TRUE

25) A conceptual corporate name captures the essence of what a company offers, but does not reveal it directly.

Answer: FALSE

26) Krispy Kreme is an example of an overt corporate name.

Answer: FALSE

27) An implied corporate name contains recognizable words or word parts that suggest what the company does.

Answer: TRUE

28) Google is an example of an implied corporate name.

Answer: FALSE

AACSB: Reflective thinking skills

29) A conceptual corporate name seeks to capture the essence of the idea behind the brand or a vision of what the company does.

Answer: TRUE

30) Federal Express is an example of a conceptual corporate name seeking to suggest the idea of express delivery.

Answer: FALSE

AACSB: Reflective thinking skills

31) Conceptual and implied corporate names require a greater marketing effort to ensure consumers connect the corporate name with the goods and services that are being sold since there is no connection between the name and goods or services being sold.

Answer: FALSE

AACSB: Reflective thinking skills

32) Quality corporate logos should be easily recognizable and elicit a consensual meaning among those in the target market.

Answer: TRUE

33) The notion that a logo can elicit a consensual meaning among customers is known as stimulus codability.

Answer: TRUE

34) Quality logos and corporate names should meet four tests. They should be 1) easily recognizable, 2) elicit a consensual meaning among those in the firm's target market, 3) be familiar, and 4) evoke positive feelings.

Answer: TRUE

35) Because Nike's "Swoosh." logo does not have any natural relationship to its product, it was necessary to spend considerable amount of advertising dollars to embed the logo in consumers' minds.

Answer: TRUE

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36) Brands are names generally assigned to individual goods or services or to sets of products in a line.

Answer: TRUE

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37) A family brand is a situation in which a series of companies produce one brand in a co-operative venture.

Answer: FALSE

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38) A brand extension is the use of a new brand name to identify an old product.

Answer: FALSE

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39) A flanker brand is the use of a new brand name to identify a product marketed with another company.

Answer: FALSE

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40) When Proctor & Gamble adds new laundry detergents to help dominate the market, it is an example of using flanker brands.

Answer: TRUE

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41) A flanker brand can be introduced when company leaders think that offering the product under the current brand name may adversely affect the overall marketing program.

Answer: TRUE

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42) Ingredient branding is the placement of one brand within another, such as NutraSweet as part of Diet Coke.

Answer: TRUE

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43) Oreo cookies placed in milkshakes sold in a Dairy Queen is an example of complementary branding.

Answer: TRUE

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44) Ingredient branding is the joint venture of two or more brands into a new good or service.

Answer: FALSE

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45) Co-branding succeeds when it builds the brand equity of both brands involved.

Answer: TRUE

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46) Consumers recommend brands to their families and friends because of one or more salient attributes.

Answer: TRUE

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47) Developing a strong brand begins with discovering why consumers buy a brand and why they rebuy the brand.

Answer: TRUE

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48) To establish a strong brand image, a brand name must be prominently promoted in repetitious ads or it should be associated with one of the product's benefits.

Answer: FALSE

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49) The goal of branding is to set a product apart from its competitors.

Answer: TRUE

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50) The secret to a successful brand is discovering what influences consumers to make purchases.

Answer: FALSE

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51) Brand parity is the perception that most brands within a product category are relatively similar or have no distinct differences.

Answer: TRUE

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52) Brand equity is the perception that most brands within a product category are relatively similar or have no distinct differences.

Answer: FALSE

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53) Brand equity is a set of characteristics that are unique to a brand that make it seem different and better.

Answer: TRUE

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54) Brand equity is not as important in business-to-business markets because pricing is often the primary decision variable.

Answer: FALSE

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55) Brand equity is not as important in international markets because fewer brands are available.

Answer: FALSE

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56) Brand parity is a strong weapon that might dissuade consumers from looking for a cheaper product or for special deals or incentives to purchase other brands.

Answer: FALSE

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57) The first step in building brand equity is developing brand awareness and brand recognition.

Answer: FALSE

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58) Brand equity is weakened by continuous innovation.

Answer: FALSE

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59) In today's society, customers want product innovations and new products. They also want them fast.

Answer: TRUE

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60) Integrating new and old media is important in building brand equity.

Answer: TRUE

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61) To develop brand equity in today's competitive markets, companies must always be on the cutting edge, create new products, move faster then the competition, and effectively reach consumers.

Answer: TRUE

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62) Brand equity involves some type of domination or strongly held position in the marketplace.

Answer: TRUE

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63) Brand metrics measure returns on branding investments.

Answer: TRUE

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64) Popular and well-known brands are not always powerful brands.

Answer: TRUE

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AACSB: Reflective thinking skills

65) Although brand equity can be measured using various metrics, CEOs and other corporate leaders often want real, hard numbers.

Answer: TRUE

66) Private brands are proprietary brands marketed by an organization and normally distributed within the organization's outlets.

Answer: TRUE

67) In recent years, loyalty toward retail stores has been declining, while loyalty toward individual brands has been increasing.

Answer: FALSE

68) Many retailers are treating private labels more like national brands and investing more money into marketing, advertising, and in-store displays.

Answer: TRUE

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69) A product's package is the final opportunity for a brand to make an impression on a consumer before a purchase is made.

Answer: TRUE

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70) Marketing surveys have revealed that only about one-third of purchases are planned prior to reaching a store.

Answer: TRUE

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71) Packaging today needs to meet the needs of consumers for speed, convenience, and portability.

Answer: TRUE

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72) Although a label on a package must meet legal requirements, it represents another opportunity to reach consumers with a marketing message.

Answer: TRUE

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73) Brand infringement occurs when a company creates a brand name that closely resembles a popular or successful brand.

Answer: TRUE

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74) Buying domain names on the Internet that may be important to famous people or businesses with the idea of making money from selling the domain name to them is called domain squatting.

Answer: TRUE

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75) In expanding internationally, an adaptation strategy means using the same brand name and products across all countries.

Answer: FALSE

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76) In international markets, an adaptation strategy reduces costs.

Answer: FALSE

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77) To revive the Barbie brand name, the following changes were made to the marketing program, *except*:

A) a real-life Barbie dream home was designed and built in Malibu

B) fashion giant Diane von Furstenberg created life-size Barbie apparel for *Fashion Week* magazine

C) advertising on children's television programs was expanded

D) the Barbie web site was expanded to include contests, games, videos, and a virtual world

Answer: C

78) The feelings consumers and businesses have about an organization and its brand is the corporation's:

A) advertising program impact

B) flanker brand

C) image

D) persona

Answer: C

79) Maintaining a quality image is primarily the responsibility of:

A) advertising creatives

B) the CEO

C) the advertising agency

D) brand managers and advertising account executives

Answer: D

80) A corporate image summarizes:

A) all of the tangible elements of a company

B) all of the intangible components that surround a firm

C) what the company stands for as well as how it is known in the marketplace

D) what employees and customers think of a company

Answer: C

81) A study by Edelman Asia Pacific revealed all of the following were important components of a corporate image *except*:

A) the price the company charged for its goods and services

B) quality of a company's goods and services

C) the perception of how the firm dealt with customers

D) the willingness of a firm to stand behind its goods and services

Answer: A

82) The following items are tangible components of a corporate image, *except:*

A) goods and services sold

B) retail outlets where the product is sold

C) advertising, promotions, and other forms of communication

D) competing businesses

Answer: D

83) Which is an intangible element of a corporate image?

A) the corporate name and logo

B) ideals and beliefs of corporate personnel

C) the employees

D) the package and label

Answer: B

84) In the mind of the consumer, a strong corporate image is linked to:

A) perceptions of economic conditions

B) ratings by financial advisors

C) reduction of search time in purchase decisions

D) finding substitute goods when making purchases

Answer: C

85) From a consumer's perspective, a strong corporate image provides each of the following functions, *except:*

A) provides assurance regarding purchase decisions in unfamiliar settings

B) provides purchase alternatives

C) reduces search time

D) provides social acceptance of purchases

Answer: B

86) Feeling good after making a purchase from a company with a strong and positive image is an example of:

A) an impulse buy

B) psychological reinforcement

C) cognitive dissonance

D) brand metrics

Answer: B

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AACSB: Reflective thinking skills

87) When you know other people have purchased the same brand that you are buying, the feeling is called:

A) social acceptance

B) reliability

C) cognitive dissonance

D) brand recognition

Answer: A

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88) From the perspective of the corporation, a strong brand image is related to each of the following, *except:*

A) ability to attract quality employees

B) higher level of brand parity

C) positive word-of-mouth recommendations by customers

D) higher level of channel power

Answer: B

89) From the perspective of the corporation, a strong brand image is related to each of the following, *except:*

A) being able to charge a higher price

B) psychological reinforcement and social acceptance

C) more frequent purchases by customers

D) more favorable ratings by financial observers

Answer: B

90) From the company's perspective, a quality corporate image enhances the introduction of a new product because:

A) the company can charge a lower price for the new product

B) a new distribution channel can be established

C) customers normally transfer their trust in and beliefs about the corporation to a new product

D) the competition does not know how to respond

Answer: C

91) Which of the following statements about image is *false*?

A) Reinforcing or rejuvenating a current image that is consistent with the view of consumers is easier to accomplish than changing a well-established image that is not consistent with the image the company wants to project.

B) It is relatively easy to change the image people hold about a given company.

C) Any negative or bad press can quickly destroy an image that took years to build.

D) The image being projected must accurately portray the firm and coincide with its goods and services.

Answer: B

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92) In making decisions about the image to be projected, it will be the easiest for marketers to:

A) rejuvenate an image that is consistent with consumer's current view of the company

B) reinforce an image that is not consistent with a consumer's current view of the company

C) develop a new image for a new company

D) revert to an earlier image of the company

Answer: A

AACSB: Reflective thinking skills

93) It is important that the image being projected by a company's marketing messages:

A) reinforce the competition's concept of the image

B) accurately portray the firm and coincide with the goods and services being offered

C) be consistent with what consumers already believe about the firm

D) coincide with what competitors are doing

Answer: B

94) The right image is one that:

A) coincides with the majority of companies within the industry

B) highlights the quality of products being sold by the company

C) is consistent with the views of management of each company

D) sends a clear message about the unique nature of an organization and its products

Answer: D

95) Keeping a consistent image while incorporating new elements is an example of:

A) developing a new image

B) image positioning

C) rejuvenating an image

D) completing an image

Answer: C

96) When business travelers began to view Holiday Inn as outdated with old decor, the management team remodeled many properties and terminated contracts with proprietors that did not meet the new standards. This is an example of:

A) reinforcing the current image

B) developing a new image

C) rejuvenating an image

D) changing an image

Answer: C

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97) Hewlett-Packard's management team decided to move their image from being viewed as a staid company run by engineers to an ultimate lifestyle technology company in tune with pop culture is an example of:

A) developing a new image

B) reinforcing a current image

C) rejuvenating an image

D) changing an image

Answer: D

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AACSB: Reflective thinking skills

98) Changing an image is most necessary:

A) every few years to meet changing consumers

B) when sales begin to decline

C) when target markets shrink or disappear or a firm's image no longer matches industry trends and consumer expectations

D) when a competitor enters the market with a product that is viewed as being superior

Answer: C

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99) AT&T had the image of being an old-fashioned land line telephone company that also produced huge yellow telephone directories. When AT&T purchased Cingular cell service, AT&T's management team recognized it:

A) could change the image of AT&T by using the orange color of Cingular

B) could adopt Cingular's image of an innovative cell phone company

C) could never change people's opinion of AT&T

D) would not be easy to change an image that had developed over decades

Answer: D

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AACSB: Reflective thinking skills

100) Changing an image requires more than one well-made ad or press release  it begins with:

A) hiring a public relations firm to plan the image change

B) designing a series of advertisements that take customers through the rationale for the image change

C) selling the idea to internal company personnel and then moving outward to suppliers, other businesses, and customers

D) selling the idea to customers and then working inward to company personnel

Answer: C

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101) Which type of corporate name reveals what a company does?

A) overt

B) implied

C) conceptual

D) iconoclastic

Answer: A

102) American Airlines and BMW Motorcycles are examples of:

A) overt names

B) implied names

C) conceptual names

D) iconoclastic names

Answer: A

103) Which type of corporate name contains recognizable words or word parts that imply what the company is about?

A) overt

B) implied

C) conceptual

D) iconoclastic

Answer: B

104) Federal Express and International Business Machines (IBM) are examples of:

A) overt names

B) implied names

C) conceptual names

D) iconoclastic names

Answer: B

105) Which type of corporate name captures the essence of the idea behind the brand?

A) overt

B) implied

C) conceptual

D) iconoclastic

Answer: C

106) Lucent Technologies and Google are examples of:

A) overt names

B) implied names

C) conceptual names

D) iconoclastic names

Answer: C

AACSB: Reflective thinking skills

107) Which type of corporate name does not reflect the company's goods or services?

A) overt

B) implied

C) conceptual

D) iconoclastic

Answer: D

108) Which type of corporate name is unique, different, and memorable without suggesting the company's goods or services?

A) overt

B) implied

C) conceptual

D) iconoclastic

Answer: D

109) Monster.com is an example of a(n):

A) overt name

B) implied name

C) conceptual name

D) iconoclastic name

Answer: D

110) Overt names:

A) reveal what the company does

B) capture the essence of the idea behind the brand

C) contain recognizable words or word parts that imply what the company is about

D) do not reflect the company's good or services, but instead something that is unique, different, and memorable

Answer: A

111) Implied names:

A) reveal what the company does

B) capture the essence of the idea behind the brand

C) contain recognizable words or word parts that imply what the company is about

D) do not reflect the company's good or services, but instead something that is unique, different, and memorable

Answer: C

112) Conceptual names:

A) capture the essence of the idea behind the brand

B) contain recognizable words or word parts that imply what the company is about

C) do not reflect the company's good or services, but instead something that is unique, different, and memorable

D) reveal what the company does

Answer: B

113) Iconoclastic names:

A) reveal what the company does

B) capture the essence of the idea behind the brand

C) contain recognizable words or word parts that imply what the company is about

D) do not reflect the company's good or services, but instead something that is unique, different, and memorable

Answer: D

114) Logos help with in-store shopping because:

A) they are more readily recognized by shoppers

B) they move traffic past goods which are not being purchased

C) they are a form of clutter

D) consumers have made up their minds prior to arrival

Answer: A

115) Stimulus codability is:

A) a form of brand name

B) the perception that the brand is known

C) consensually held meanings among customers

D) another name for product positioning

Answer: C

116) A logo with a consensually held meaning, such as the Prudential Rock, displays:

A) brand prominence

B) stimulus codability

C) brand parity

D) product positioning

Answer: B

117) Corporate logos:

A) are unrelated to image but are related to positioning

B) help with recall of advertisements and brands

C) usually are inexpensive to develop

D) increase search time in product purchase decisions

Answer: B

118) Quality logos and corporate names should pass each of the following tests, *except:*

A) be similar to others in the industry

B) be familiar

C) elicit a consensual meaning among those in the firm's target market

D) evoke positive feelings

Answer: A

119) The Nike Swoosh is an example of a:

A) brand

B) package

C) label

D) logo

Answer: D

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120) Names assigned to individual goods or services or to groups of products in a line are:

A) brands

B) logos

C) metrics

D) designs

Answer: A

Page Ref: 31

121) Developing a strong brand begins with:

A) a SWOT analysis

B) developing a product positioning strategy

C) discovering why consumers buy a brand and why they rebuy the brand

D) understanding how a brand compares with competing brands

Answer: C

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122) Two important processes help establish stronger brand prestige. First, the brand name must be prominently promoted through repetitious ads. Second, the brand name:

A) must equate to high quality

B) should convey a high level of brand equity

C) should be associated with the brand's most prominent characteristic

D) should obtain the highest brand awareness score

Answer: C

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AACSB: Reflective thinking skills

123) A family brand is:

A) one in which a company offers a series or group of products under one brand name

B) a type of extension or flanker brand offered by one company

C) a logo or theme of a brand

D) one that has a high level of brand equity

Answer: A

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124) Black and Decker's line of power tools is an example of a(n):

A) adaptation

B) family brand

C) flanker brand

D) private label brand

Answer: B

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125) When Black and Decker introduced a new form of wrench with the name "Black and Decker Adjustable Wrench," which was being used?

A) family brand

B) cooperative brand

C) flanker brand

D) complementary brand

Answer: A

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126) A brand extension is:

A) a group of related core products sold under one name

B) the creation of a logo which further explains the brand

C) the design of a public relations campaign to support a brand

D) using an established brand name on goods or services not related to the core brand

Answer: D

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127) Nike creating a line of clothing to go along with their main products (shoes) is an example of:

A) flanker brand

B) brand extension

C) cooperative brand

D) complementary brand

Answer: B

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AACSB: Reflective thinking skills

128) Which is a flanker brand?

A) the offering of two or more brands in a single marketing offer

B) the joint venture of two or more brands into a new product or service

C) development of a new brand by a company in a good or service category where it currently has other brands

D) a brand with the same name in a different industry

Answer: C

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129) When Procter and Gamble introduces a new laundry detergent with a different brand name, it is an example of creating a(n):

A) family brand

B) cooperative brand

C) co-brand

D) flanker brand

Answer: D

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130) When Procter and Gamble added a new laundry detergent in Asia called "Panda" to its current line of laundry detergents, the Panda brand would be considered a(n):

A) brand extension

B) family brand

C) flanker brand

D) complementary brand

Answer: C

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AACSB: Reflective thinking skills

131) If a company feels that offering a new product under the current brand name may adversely affect the current brand, the best approach would be to introduce the product as a(n):

A) brand extension

B) ingredient brand

C) flanker brand

D) co-brand

Answer: C

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AACSB: Reflective thinking skills

132) Which involves using an established brand name on goods or services that are not related to the core brand?

A) brand extension

B) private brand

C) flanker brand

D) complementary brand

Answer: A

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133) When a company develops a new brand in the same category in which the firm already has a branded product, it is a:

A) brand extension

B) private brand

C) flanker brand

D) complementary brand

Answer: C

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134) When a company's marketing team introduces a new brand within a product category where it already has brands in an effort to appeal to target markets and the team believes is not being reached by the company's current brand, which is being used?

A) brand extension

B) private brand

C) flanker brand

D) complementary brand

Answer: C

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AACSB: Reflective thinking skills

135) Which approach is used by firms operating in high-end markets in order to avoid damaging the high-end brand's reputation?

A) brand extension

B) private brand

C) flanker brand

D) complementary brand

Answer: C

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136) A firm that is expanding to international markets often adds additional brands to current brands in order to strengthen an international presence, reflecting which strategy?

A) brand extension

B) private brand

C) flanker brand

D) complementary brand

Answer: C

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137) Co-branding can take the following forms, *except:*

A) flanker brand

B) ingredient brand

C) cooperative brand

D) complementary brand

Answer: A

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138) Ingredient branding involves:

A) placing one brand within another

B) developing a new brand to be sold in a category where the firm already has a brand

C) a joint venture of two brands in one product

D) marketing two brands together to encourage co-consumption

Answer: A

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139) Intel Pentium processors placed inside computers is a form of:

A) ingredient branding

B) flanker brand

C) cooperative branding

D) complementary branding

Answer: A

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140) Cooperative branding is:

A) private labeling with a major brand

B) placing one brand in another as a form of cooperation

C) the joint venture of two or more brands in one product

D) the marketing two brands together to encourage co-consumption

Answer: C

Page Ref: 33

141) Co-branding works the best when:

A) the two brands are unrelated

B) a well-known brand is attached to a lesser-known brand

C) a private label is co-branded with a manufacturer's brand

D) it builds the brand equity of both brands

Answer: D

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142) Complementary branding is:

A) using a private label to complement the main brand

B) placing one brand within another brand

C) the joint venture of two or more brands in one product

D) marketing two brands together to encourage co-consumption

Answer: D

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143) Selling Reese's Peanut Butter Cup milkshakes at the DQ is an example of:

A) flanker branding

B) extension branding

C) cooperative branding

D) complementary branding

Answer: D

Page Ref: 33

144) A Pillsbury cookie mix featuring Hershey's Chocolate is a form of:

A) flanker branding

B) cooperative branding

C) ingredient branding

D) complementary branding

Answer: C

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AACSB: Reflective thinking skills

145) The placement of one brand within another brand is:

A) ingredient branding

B) cooperative branding

C) complementary branding

D) flanker branding

Answer: A

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146) The joint venture of two or more brands into a new good or service is:

A) ingredient branding

B) cooperative branding

C) complementary branding

D) flanker branding

Answer: B

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147) The marketing of two or more brands together to encourage co-consumption or co-purchases is:

A) ingredient branding

B) cooperative branding

C) complementary branding

D) flanker branding

Answer: C

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148) In terms of co-branding, the highest risk strategy is

A) ingredient branding

B) cooperative branding

C) complementary branding

D) flanker branding

Answer: C

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149) The goal of branding is to:

A) be able to charge a higher price than the competition

B) gain the largest market share

C) set a product apart from its competitors

D) have a trademark that is easily identifiable

Answer: C

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150) The secret to a long brand life is:

A) developing a unique brand name

B) having the largest market share within an industry

C) having a high level of product quality and high margins

D) finding one unique selling proposition and sticking with it

Answer: D

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151) The perception that all brands are essentially the same is called:

A) brand equity

B) brand parity

C) flanker branding

D) the private label problem

Answer: B

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152) Charles sees only minor differences among the various brands of high definition televisions. This is an example of:

A) brand equity

B) brand parity

C) flanker branding

D) the private label problem

Answer: B

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153) The perception that a brand is different and better is called:

A) brand equity

B) brand parity

C) flanker branding

D) the private label advantage

Answer: A

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154) When a customer believes Black and Decker makes the best and most reliable tools, this is an example of:

A) brand parity

B) brand equity

C) brand cooperation

D) brand decision

Answer: B

Page Ref: 35

155) Which is *not* true concerning brand equity?

A) it allows the company to charge a higher price

B) it reduces name retention

C) it is helpful in business-to-business markets

D) it is helpful in international markets

Answer: B

Page Ref: 35

156) Brand equity offers the following benefits, *except:*

A) allows manufacturers to charge more for their brands

B) creates higher gross margins

C) provides retailers and wholesalers with greater power

D) captures additional shelf space in retail stores

Answer: C

Page Ref: 35

157) Brand equity offers the following benefits, *except:*

A) serves as a weapon against consumers switching to another brand due to sales promotions or other competitors' deals

B) prevents erosion of market share

C) allows wholesalers and retailers to have a greater profit margin

D) provides power with wholesalers and retailers

Answer: C

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158) Which is true concerning brand name recognition and brand equity?

A) they are unrelated

B) they are synonymous

C) to gain brand equity, it is not essential to have a high level of brand recognition

D) recognition is the first phase of developing brand equity

Answer: D

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159) The first step in building brand equity is:

A) integrating old and new media

B) to engage in continuous improvement

C) to focus on domination

D) to research and analyze what it would take to make the brand distinctive

Answer: D

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160) Which measures returns on branding investments?

A) brand infringement

B) brand parity

C) brand equity

D) brand metrics

Answer: D

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161) Attitudinal measures associated with branding can be used to track all of the following *except*:

A) awareness

B) recall

C) purchase intentions

D) recognition

Answer: C

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162) In measuring brand equity companies can use a method called revenue premium, which compares a branded product's revenue to:

A) the industry's average

B) a private label brand

C) a firm's primary competitors

D) the industry leader

Answer: B

163) A proprietary brand marketed by an organization and distributed within the organization's outlets is a(n):

A) private label

B) flanker brand

C) co-brand

D) complementary brand

Answer: A

164) Private brands are:

A) new brands sold in the same category

B) the joint venture of two or more brands in a new good or service

C) the use of established brand names on goods and services not related to the company's core brand

D) proprietary brands marketed by an organization and normally distributed exclusively within the organization's outlets

Answer: D

165) Over the past few years, each of the following are changes that have occurred in the area of private branding, *except:*

A) increase in prices to equal national brands

B) improved quality

C) increased advertising of private brands

D) increased quality of in-store displays of private brands

Answer: A

166) Private labels are attractive to retail stores because:

A) they are priced higher than national brands

B) they do not require any advertising

C) they tend to have higher margins than national brands

D) consumers are becoming more loyal to private brands

Answer: C

167) The following statements about private labels are true, *except:*

A) quality levels of many private label products have improved

B) prices for private labels are going up in many markets

C) consumers still perceive private labels as being inferior to manufacturer's brands

D) some firms have begun advertising private labels

Answer: C

168) Manufacturers are using all of the following methods to respond to inroads made by private labels *except*:

A) focusing on a few core brands

B) increasing advertising expenditures

C) introducing new products and new versions of current products

D) reducing prices to meet private label pricing

Answer: D

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169) Manufacturers are using all of the following methods to respond to inroads made by private labels *except*:

A) modifying the brand's position in the marketplace

B) expanding product offerings

C) using alternative promotional methods

D) improving in-store displays and packaging

Answer: A

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170) Traditionally, a package provided each of the following functions, *except:*

A) key component of a company's integrated marketing communications plan

B) provide for ease of shipping, moving, and handling

C) protect the contents

D) provide for easy placement on store shelves

Answer: A

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171) Marketing surveys have revealed that \_\_\_\_\_\_\_\_ percent of purchase decisions are made in retail stores.

A) 31

B) 50

C) 69

D) 80

Answer: C

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172) Research indicates that when consumers walk within 10 to 15 feet of a product, the item has \_\_\_\_\_\_\_\_ seconds to catch the consumer's attention.

A) 3

B) 5

C) 7

D) 9

Answer: A

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173) Research indicates that when consumers walk within \_\_\_\_\_\_\_\_ feet of a product, the item has 3 seconds to catch the consumer's attention.

A) 3 to 5

B) 5 to 7

C) 8 to 12

D) 10 to 15

Answer: D

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174) New trends in packaging include the following, e*xcept:*

A) prevent tampering

B) meet consumer needs for speed, convenience, and portability

C) contemporary and striking design

D) designed for ease of use

Answer: A

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175) Labels on packages serve the following purposes, *except*:

A) provide legal requirements in terms of content

B) provide consumers with pricing per unit information

C) another marketing opportunity to reach consumers

D) provide warranty and guarantee information

Answer: B

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176) Brand infringement occurs when:

A) an Internet domain is used that is similar to a brand name

B) individuals purchase domain names just for the purpose of selling them later to famous individuals or companies

C) a company creates a brand name that closely resembles a popular or successful brand name

D) the brand name is used in advertisements by competitors

Answer: C

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177) Domain squatting occurs when:

A) an Internet domain is used that is similar to a brand name

B) individuals purchase domain names just for the purpose of selling them later to famous individuals or companies

C) a company creates a brand name that closely resembles a popular or successful brand name

D) the brand name becomes a generic term for the product category

Answer: B

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178) Using a standardized global brand offers all of the following advantages *except*:

A) lower marketing costs

B) meets the need of individual cultures within different countries

C) transference of best practices from one country to another

D) a higher perceived quality because it is sold in different countries

Answer: B

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179) Global brands do the best in:

A) highly visible products such as clothing and furniture

B) high-profile, low-involvement products

C) high-profile, high-involvement products

D) low-involvement everyday products

Answer: C

180) From a consumer's perspective, what are the benefits of a strong corporate image?

Answer:

1. Assurance regarding purchase decisions of familiar products in unfamiliar settings

2. Assurance concerning purchases where there is little previous experience

3. Reduction of search time in purchase decisions

4. Psychological reinforcement and social acceptance of purchase decisions

181) What are the benefits of a strong corporate image in the eyes of the company?

Answer:

1. Extension of positive consumer feelings to new products

2. The ability to charge a higher price or fee

3. Consumer loyalty leading to more frequent purchases

4. Positive word-of-mouth endorsements

5. The ability to attract quality employees

6. More favorable ratings by financial observers and analysts

182) When should a company consider rejuvenating or changing its image and how should it be done?

Answer: A company should consider rejuvenating or changing its image when sales have declined or a competitor has taken a strong market position in the industry. Any time the brand has suffered a decline in brand equity is a good time to consider rejuvenating an image. Rejuvenating an image requires developing a campaign that is consistent with the current image while at the same time incorporating new elements into the image to expand the firm's target market and to reconnect with previous customers.

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183) What are the four types of corporate names?

Answer: Overt names, implied names, conceptual names, iconoclastic names

184) What four tests should quality logos and corporate names pass?

Answer:

1. They should be easily recognizable.

2. They should be familiar.

3. They should elicit a consensual meaning among those in the firm's target market.

4. They should evoke positive feelings.

185) Describe the differences between brand extensions and flanker brands.

Answer: Brand extensions use an established brand name on goods or services not related to a core brand. Flanker brands are brands used by a company in a category in which the company currently has an offering.

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186) What three forms of co-branding are there? Define each one.

Answer:

1. Ingredient branding is placement of one brand within another brand.

2. Cooperative branding is the joint venture of two brands or more into a new product or service.

3. Complementary branding is marketing of two brands together to encourage co-consumptions or co-purchases.

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187) When developing a strong brand name, what are some typical questions that should be asked?

Answer:

1. Where does your brand stand now?

2. What are your objectives?

3. What are you doing in terms of building your brand and business?

4. What are your brand's strengths? Weaknesses?

5. What opportunities should be pursued first? Where are the pitfalls?

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188) Identify the steps in building a high level of brand equity.

Answer:

1. Research and analyze what it would take to make the brand distinctive.

2. Engage in continuous innovation.

3. Move fast.

4. Integrate new and old media.

5. Focus on domination.

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189) Why have private labels been more successful in recent years?

Answer:

1. Quality levels have improved.

2. Perceived as a value purchase by consumers.

3. Loyalty toward stores is higher than loyalty to brands.

4. Increased advertising of private labels.

5. Used to differentiate retail outlets.

6. Increased quality of in-store displays and packaging of private labels.

190) What traditional elements should be incorporated into packaging design and what are the new trends that impact packaging?

Answer: Traditional elements of packaging include:

1. Protect the product inside

2. Provide for ease in shipping, moving, and handling

3. Provide for easy placement on store shelves

4. Prevent or reduce the possibility of theft

5. Prevent tampering

New trends in packaging include:

1. Meet consumer needs for speed, convenience, and portability

2. Must be contemporary and striking

3. Must be designed for ease of use